FISCAL IMPACT STATEMENT ON BILL NO. H. 3735

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The Honorable Ronald P. Townsend, Chairperson, House Education and Public Works

Committee

FROM: Office of State Budget, Budget and Control Board

ANALYSTS: Rodney Grizzle and Harry Bell

DATE: March 28, 2005 SBD: 2005310

AUTHOR: Representative Vaughn PRIMARY CODE CITE: 56-3-1335

SUBJECT: Failure to Pay Toll Fee results in Suspension of Vehicle Registration

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES: See Below

BILL SUMMARY:

House Bill 3735 amends the Code of Laws of South Carolina, 1976 by adding Section 56-3-1335, which allows the Department of Motor Vehicles to suspend a vehicle's registration and not allow the registration for a individual who has failed to pay a toll and who has an outstanding judgment for failure to pay a toll.

EXPLANATION OF IMPACT:

The Department of Motor Vehicles (DMV) indicates that there will be a one-time cost of approximately \$54,000 to develop and implement changes to the DMV IT system. The Department further indicates that if the agency is allowed to retain the \$50 reinstatement fee, there will be no impact to the General Fund of the State. Other funds collected from the reinstatement fee would offset the costs incurred by DMV.

LOCAL GOVERNMENT IMPACT:

Responses from local governments indicate enactment would have no impact on expenditures.

SPECIAL NOTES:

The legislation allows for a \$50 reinstatement fee to defray the cost associated with the new requirements. The Board of Economic Advisors is the appropriate entity to address any revenue impact associated with this Bill.

Approved by:

Don Addy

Assistant Director, Office of State Budget